COMMONWEALTH OF VIRGINIA Office of the Governor

Timothy M. Kaine FOR IMMEDIATE RELEASE Governor August 22, 2008

Contact: Gordon Hickey Marianne McGhee
Phone: (804) 225-4260 (804) 726-7105
Cell Phone: (804) 291-8977

Internet: www.governor.virginia.gov www.dss.state.va.us

VIRGINIA ONE OF FIVE MOST SUCCESSFUL STATES IN AMERICA FOR REDUCING POVERTY

~ Comprehensive welfare reform study gives Virginia an "A"~

RICHMOND – Governor Timothy M. Kaine today announced that The Heartland Institute's comprehensive study <u>Welfare Reform after Ten Years</u> gives Virginia high marks for the success of anti-poverty and welfare reform policies in the Commonwealth.

"Virginia is committed to extending an economic ladder to anyone with the ability and drive to access it," Governor Kaine said. "Reducing poverty, providing job training and employment opportunities and nurturing a climate of self-sufficiency are defining qualities of the Commonwealth."

The study examines how states implement the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), the federal welfare reform legislation.

- The six states with the most successful anti-poverty programs are Virginia, Maryland, Idaho, Illinois, Florida and California.
- Two grades for anti-poverty success and welfare reform policies were averaged to produce a single score, which is the basis for the overall ranking for each state and the District of Columbia. Virginia was one of five states that scored highest overall.
- Only three states Virginia, Maryland and Illinois ranked as having the best policies and also appear in the list of 10 states with the best results.

Historically, Virginia's welfare-to-work policies have been stringent. In 1995, two years before PRWORA was passed, Virginia enacted its own welfare reform initiative, the Virginia Independence Program (VIP). The cornerstone of this legislation was a strong work philosophy as a means of lifting families out of poverty. The Commonwealth's job activity benchmarks required by VIP surpassed those enacted by the federal government two years later in PRWORA.

In terms of the Heartland study, one of the most critical variables in determining a state's success was the decline in the number of families receiving Temporary Assistance for Needy Families (TANF) benefits.

- Virginia's TANF caseload has declined more than 58 percent since implementation of VIP in July 1995, from a high of 70,797 to 29,404 in June 2008.
- Virginia was ranked <u>highest in the nation</u> for job entry rates for TANF recipients in federal fiscal years 2005 and 2006.

The TANF benefit is administered by the Virginia Department of Social Services (VDSS). "The will of our clients, in concert with the efforts of 120 local departments of social services to assist with training and job opportunities, is far-reaching," said VDSS Commissioner Anthony Conyers Jr. "Employment stabilizes families and communities."

Other variables considered in the <u>Welfare Reform after Ten Years</u> report include changes in unemployment and teenage birth rates.

The Heartland Institute gave Virginia an overall grade of A. The Commonwealth scored an A for its anti-poverty measures, and an A- for welfare reform policies.